

INFLUENCE OF TRUST, QUALITY OF SERVICE, AND WORD OF MOUTH ON THE DECISION TO USE THE SERVICES LION PARCEL SERVICE (Case Study on Lion Parcel Pos Charity Company)

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ABSTRACT

Parcel Pos Amal company. The research approach used is descriptive research with a quantitative approach. The location of this research was carried out at Lion Parcel Pos Amal, which is located at Jl. Charity No. 27 district. Medan Sunggal, Medan, North Sumatra. The population in this study were all customers who had delivered goods at Lion Parcel Mitra Pos Amal with a sample of 120 people/customer. The sampling technique in this study used an accidental sampling technique. This study uses primary and secondary data. The result of this research is that trust has a positive effect on the decision to use Lion Parcel services. Service quality has a positive effect on the decision to use Lion Parcel services. Word of Mouth partially has a positive effect on the decision to use the services of Lion Parcel. Determination Test Results that Trust, Service Quality, and word of mouth have contributed to the decision to use Lion Parcel services by 83.1% while the remaining 16.9% is influenced by other variables outside this regression model.

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1. INTRODUCTION

The development of sales on electronic platforms (e-commerce), is currently towering quite high, especially during the Covid-19 pandemic which is also a driving factor for increasing sales in e-commerce today [1]. The development of e-commerce today opens up new opportunities for businessmen who can promote their wares through online stores, as well as deliver goods to consumers both within the city and outside the city [2]. The delivery requires a delivery service that can cover the consumer's area so that the public's need for goods delivery services increases and creates increasingly fierce competition between delivery service companies [3].

An expedition service company is a company engaged in shipping services, whether it's shipping goods or documents [4]. There are many forms of service companies that exist around the community and this company also has its benefits that can be felt directly by consumers, and this delivery service company also has an important role for all people around the world [5]. One company that offers these services to the public is Lion Parcel Pos Amal which is located at Jl. Amal No.17, Medan Sunggal Subdistrict, Medan, which is a provider of door-to-door package and document delivery services, from picking up packages/documents at the sender's address to delivery to the recipient's address. The delivery of the package is tracked online through the visa system.

Lion Parcel is also supported by the business unit of the Lion Air Group, so it has access to a service network throughout the city area in Indonesia, especially in remote areas. As for the problems experienced by the Lion Parcel company in carrying out shipping activities, there are several problems faced such as problems, and consumer trust. For a service company, consumer trust is a motivation for the company's success in providing services to these consumers.

High trust by consumers in a company will be able to create a sense of consumer satisfaction in using a product or service of the company [6]. Consumer trust is also the foundation of business in the form of ways to retain consumers [7]. The results of previous studies stated that trust had a significant effect on consumer

Influence of trust, quality of service, and word Of mouth on the decision to use the services Lion parcel service (Case Study on Lion Parcel Pos Charity Company)- Anggiat Sinaga et al

purchasing decisions [8]. Good trust can make a consumer feel confident that the product or service he has chosen can solve the problem at hand [9]. So it can be stated that building good trust takes time and a strong commitment for the company [10].

Service quality is a business designed to meet customer needs or desires [11]. Service quality is created for customers or service users and has value benefits for service-producing companies [12]. Services are all economic activities with outputs other than products in the physical sense, consumed and produced at the same time, providing added value and in principle intangible to the first buyer [13]. Because the existence of customers or service users is a company asset, where service users have paid for services sold by a company [14]. Consumer satisfaction is a person's feeling of pleasure or disappointment that comes from the comparison between his impression of the real or actual product performance and the expected product performance [15]. The results of previous studies state that good service quality can improve consumer purchasing decisions [16]. Before the pandemic period, Lion Parcel was still quite dependent on product delivery by cargo planes, however, after many flights were disrupted due to the policy of limiting activities in the pandemic era, Lion Parcel also tried to maximize delivery services by land. To overcome the problem of road restrictions carried out by the Lion Parcel government, they continue to improve the quality of service they provide to Lion Parcel's loyal users.

Berikut ini data pencapaian jumlah pengiriman paket Lion Parcel Pos Amal dari bulan April 2021 sampai dengan April 2022:

Table 1. Data on Achievement of Number of Packages from April 2021 to April 2022

No	Month	Package Weight (Kg)
1	April-2021	1459
2	May-2021	1517
3	June-2021	1460
4	July-2021	1615
5	August-2021	1407
6	September-2021	1796
7	October-2021	1386
8	November-2021	1416
9	December-2021	1877
10	January-2022	1473
11	February-2022	1275
12	March-2022	1320
13	April-2022	1369
	Amount	19370

Source: Data processed by the author (2022)

Based on the data table above, it can be explained that sales and average income achieved is 1614 KG (Kilograms)/month with 1 (one) year achievement ranging from 19,370 KG (Kilograms) packages. The highest delivery achievement is in December 2021, reaching around 1877 KG (Kilograms) of packages which in end-of-year shipments usually experience a fairly high spike because the public's need for goods delivery services increases such as Christmas packages, food, clothes, etc. for families, relations, and customers who shop online for year-end needs. Meanwhile, for the achievement of the lowest package delivery in February 2022 which reached around 1275 KG (Kilograms) the decline was identified by each online store at the beginning of the month holding a stock of name (calculation of store stock) then any sales or shipments would be temporarily stopped for a certain period. has been determined and usually, this stock of name activity occurs around January-March and this cycle always occurs every year in several business sectors.

The decrease is also caused by the lack of quality of service received by consumers, if the service quality of a company is good and can satisfy customer expectations, then the customer will be happy and will not hesitate to talk about the quality of the company's services to others to create word of mouth between consumers to potential new customers.



Source: Playstore (2022)

Figure 1. Positive and Negative Consumer Comments

Based on the picture above regarding comments or reviews from consumers, there are two comments given by consumers to Lion Parcel shipping services, namely positive and negative comments. These positive and negative responses can cause a lot of news or information to other consumers. Before deciding to use a company's product or service, it's a good idea for consumers to first look for information about the company that will be used, such as looking for information either through the internet or by asking directly to consumers who have previously used these services. For the Lion Parcel company, the consumer's decision to use freight forwarding services is very important because it will determine the company's income and win the competition in the freight forwarding business, as well as every delivery service, good service quality is a supporting factor in fulfilling trust of the customers. Consumer trust is the reason for realizing the development of the expedition, and service quality are one of the features in developed countries, and good information is the key to consumer trust.

Word of Mouth (WOM) has a very influential or effective role in the survival of a company. Because Word Of Mouth can spread quickly and be trusted by potential consumers. The spread of Word of Mouth can not only be done by providing information through word-of-mouth communication but it can also be disseminated through existing internet social media. The spread of Word of Mouth through internet social media is very easy, it spreads widely because access is very relatively efficient, one of which is through the applications youtube, WhatsApp, line, google, Facebook, and other applications found on devices connected to other internet connections. [17]. The results of previous studies stated that word of mouth had a significant effect on consumer purchasing decisions [18]. This can be interpreted when the brand image of a product or service will continue to survive when consumers or customers continue to have the desire to say positive things to others [19].

2. METHOD

The approach in this research is quantitative. The population is customers who have delivered goods at Lion Parcel Mitra Pos Amal. The sampling technique used in this study was accidental sampling because the researchers distributed questionnaires to every consumer who made deliveries at Lion Parcel Pos Amal. So that the sample in this study is 120 consumers of Lion Parcel Pos Amal. The source of data in this study is primary data. Where data directly provide data to data collectors. Data is collected directly from the first source or where the object of research is carried out. The data sources in this study are Lion Parcel Mitra Pos Amal customers. Meanwhile, the technique of collecting data is using a questionnaire. Data analysis used multiple linear regression analysis.

3. RELUST AND DISCUSSION

The Effect of Trust on User Decisions

Based on the SPSS test, the results of the confidence test on the decision show that the value of $t_{count} > t_{table}$ is $(1,477 > 1,980)$ and with a significant value of 0.142, the significant value is less than 0.05. This means that there is an effect of trust on the decision. It means that H_0 is rejected and H_a is accepted. Trust itself is part of the quality of service where service quality is an advantage offered by Lion Parcel. In addition, the dissemination of information by word of mouth also plays an important role in consumer decisions. The results of this study are in line with the results of previous studies which state that trust has a significant influence on purchasing decisions [20]. This can mean that trust can improve consumer purchasing decisions where consumers will feel not afraid of the performance of a product or service [21][22].

The Effect of Service Quality on User Decisions

Based on testing with SPSS, the results of service quality testing on decisions show the value of t_{count}

Influence of trust, quality of service, and word Of mouth on the decision to use the services Lion parcel service (Case Study on Lion Parcel Pos Charity Company)- Anggiat Sinaga et al

$t_{table} (2.162 > 1.980)$ and with a significant value of 0.00, the significant value is less than 0.05. This means that there is an effect of trust on the decision. It means that H_0 is rejected and H_a is accepted. This explains that the quality of service, especially at the Lion Parcel company, can be a reason for potential consumers to decide to use and be a consideration for the desired service. The results of this study are in line with the results of previous studies which state that service quality has a significant effect on purchasing decisions [23]. The company's ability to not make mistakes where complaints from consumers are getting smaller, then shows that the services provided are to consumer expectations [24].

Effect of Word of Mouth on Decisions

Based on the SPSS test, the results of the word of mouth test on the decision show that the value of $t_{count} > t_{table}$ is $(4.835 > 1.980)$ and with a significant value of 0.033, the significant value is less than 0.05. This means that there is an effect of trust on the decision. It means that H_0 is rejected and H_a is accepted. Word of mouth is a very important way of promotion. The promotion itself is a strategy carried out to provide information and influence target consumers to use the services offered. The results of this study support the results of previous studies which confirm that the word of mouth has a significant effect on purchasing decisions [25].

4. CONCLUSION

Based on the results of data analysis, it can be concluded that all variables of trust, service quality, and word of mouth on the decision to use Lion Parcel Mitra Pos Amal. Furthermore, the researcher recommends that the trust held by consumers is quite good. However, Lion Parcel should not be satisfied with its current achievements because there are so many competitors around it. Lion Parcel must continue to improve the quality of service and continue to innovate in improving services to create consumer decisions to provide good information to other consumers. Wom (word of mouth) received by Lion Parcel from consumers is quite good. However, Lion Parcel must be more careful in delivering information about the services that will be provided to consumers.

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Influence of trust, quality of service, and word Of mouth on the decision to use the services Lion parcel service (Case Study on Lion Parcel Pos Charity Company)- Anggiat Sinaga et al

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